



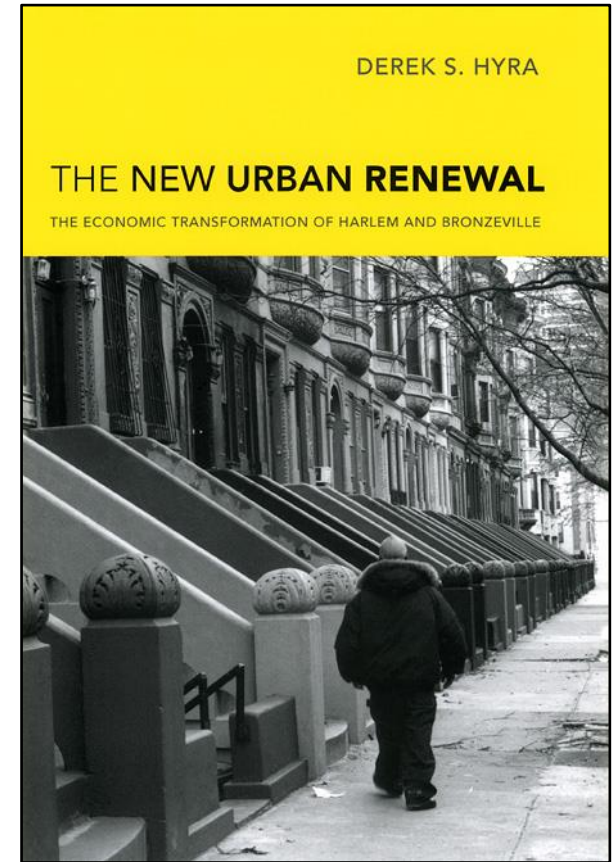
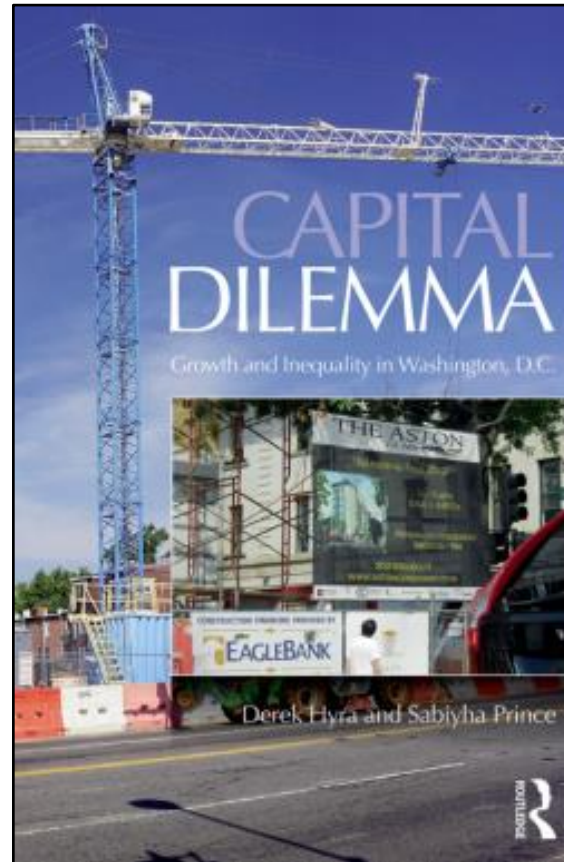
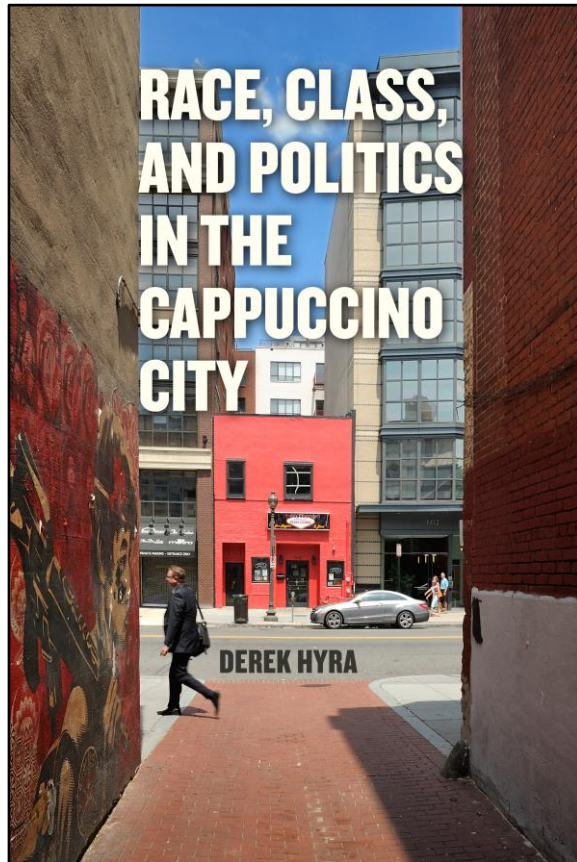
FACILITATING EQUITABLE DEVELOPMENT IN THE COMMONWEALTH

Virginia Housing Commission
April 2, 2019

Derek Hyra, Director
Metropolitan Policy Center
American University
hyra@american.edu



Understanding Neighborhood Change





Three Takeaways

- Gentrification is on the rise
- Amazon-related investments will stimulate redevelopment and displacement
- Policy alternatives to help drive equitable development



Gentrification

What Do We Mean?



Original Definition of Gentrification



1964

The term “gentrification” is coined by Ruth Glass.

“One by one, many of the working class quarters have been invaded by the middle class - upper and lower ... Once this process of ‘gentrification’ starts in a district it goes on rapidly until all or most of the working class occupiers are displaced and the whole social character of the district is changed.”



Redevelopment Terms

Definitions

Neighborhood Redevelopment: Individual or collective efforts to make a place better – more healthy, safe, [and] vibrant.

Gentrification: The physical, political, social, economic, and/or cultural displacement of low-income populations resulting from the transformation of an area with high levels of affordable housing into an area targeting middle- and upper-income residential and/or commercial uses.

Equitable Development: The redevelopment of neighborhoods that improves the quality of life for residents of all incomes.

Source: Thurber et al. 2014



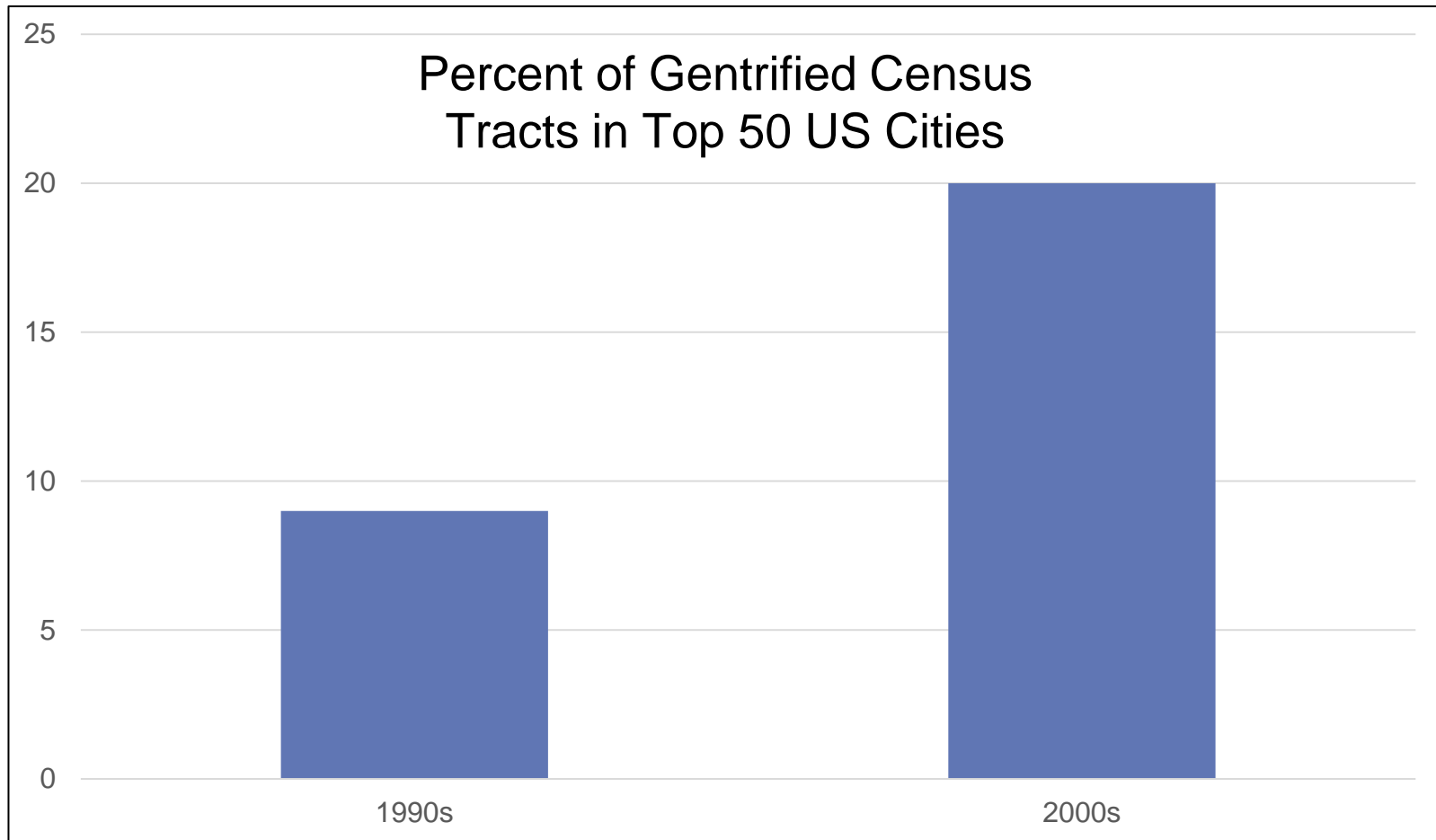
My Gentrification Definition

“When upper-income people and *investments* come to a low-income area”

- Both urban and suburban phenomenon
- Multiple forms of displacement



Gentrification on the Rise

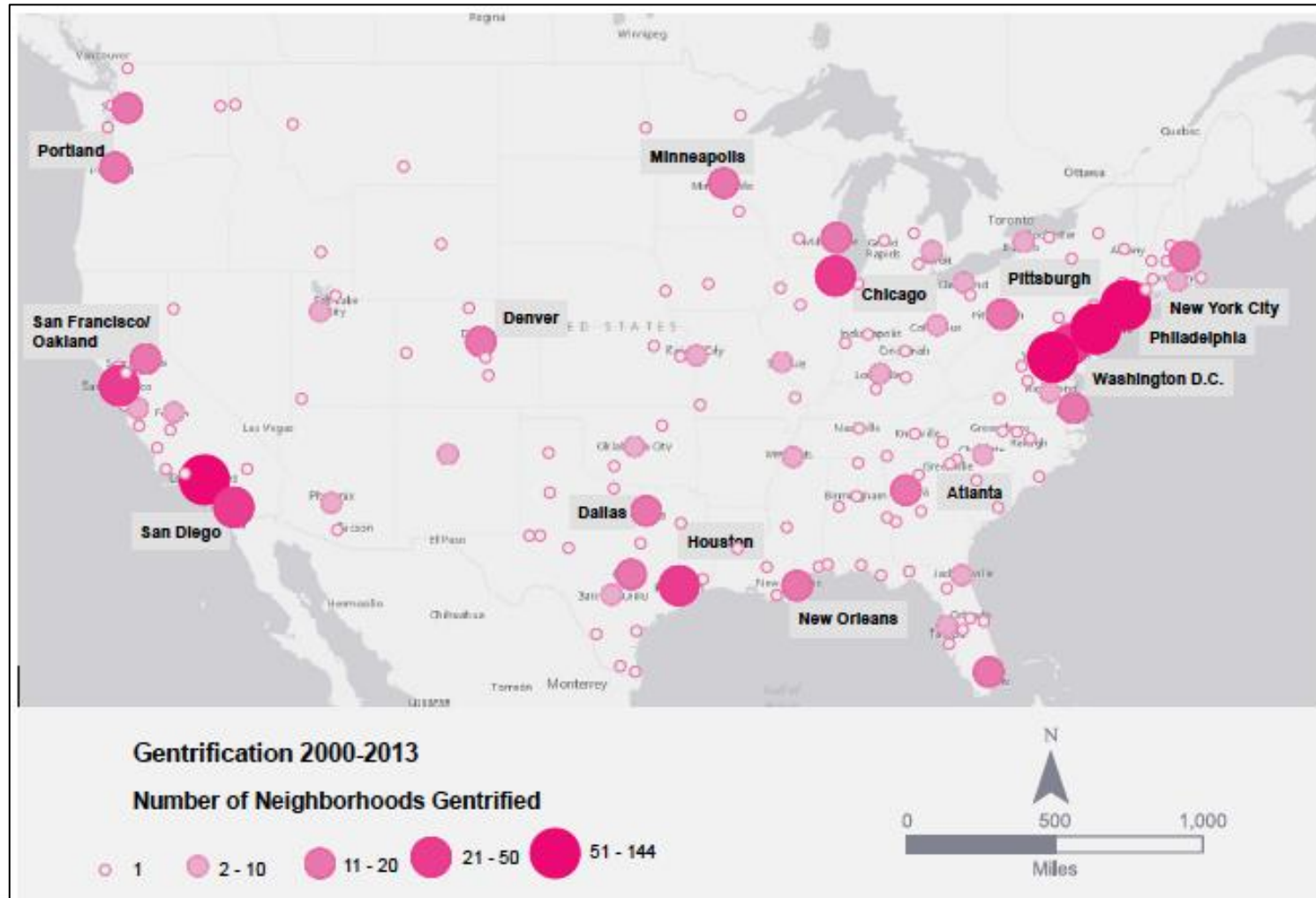


Source: Governing Magazine 2016





Gentrification Geography, 2000-2013



Source: NCRC 2019



“Most Intense” Gentrified Metro Areas

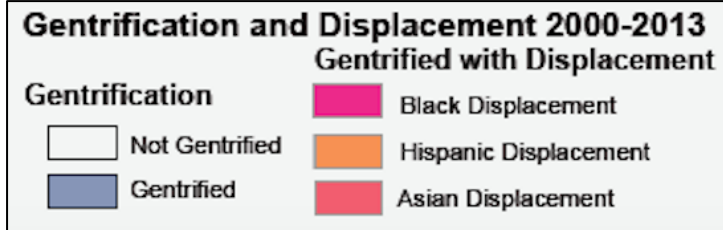
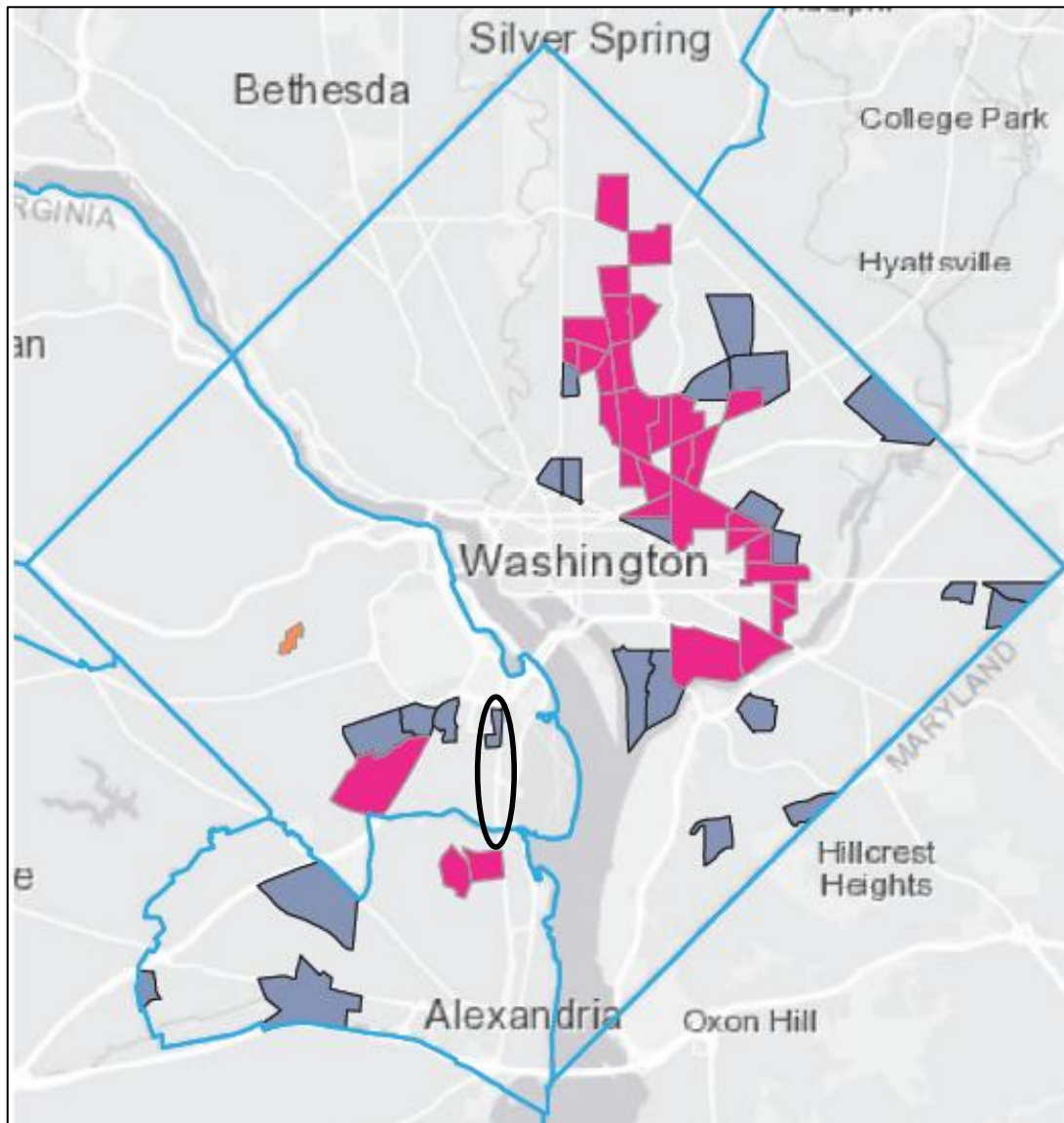
Metro Area	Total Tracts	Eligible Tracts	Gentrified Tracts	Percent Gentrified
<i>Washington, DC</i>	1346	154	62	40%
San Diego	627	100	29	29%
New York City	4515	590	144	24%
Albuquerque	202	31	7	23%
Atlanta	946	76	17	22%
Baltimore	679	171	38	22%
Portland	491	93	19	20%
Pittsburgh	711	69	14	20%
Seattle	718	90	18	20%
Philadelphia	1473	332	57	17%
<i>Virginia Beach</i>	414	105	18	17%
San Francisco	975	159	27	17%
<i>Richmond, VA</i>	305	37	6	16%



Northern Virginia and DC Redevelopment Context and the Arrival of Amazon



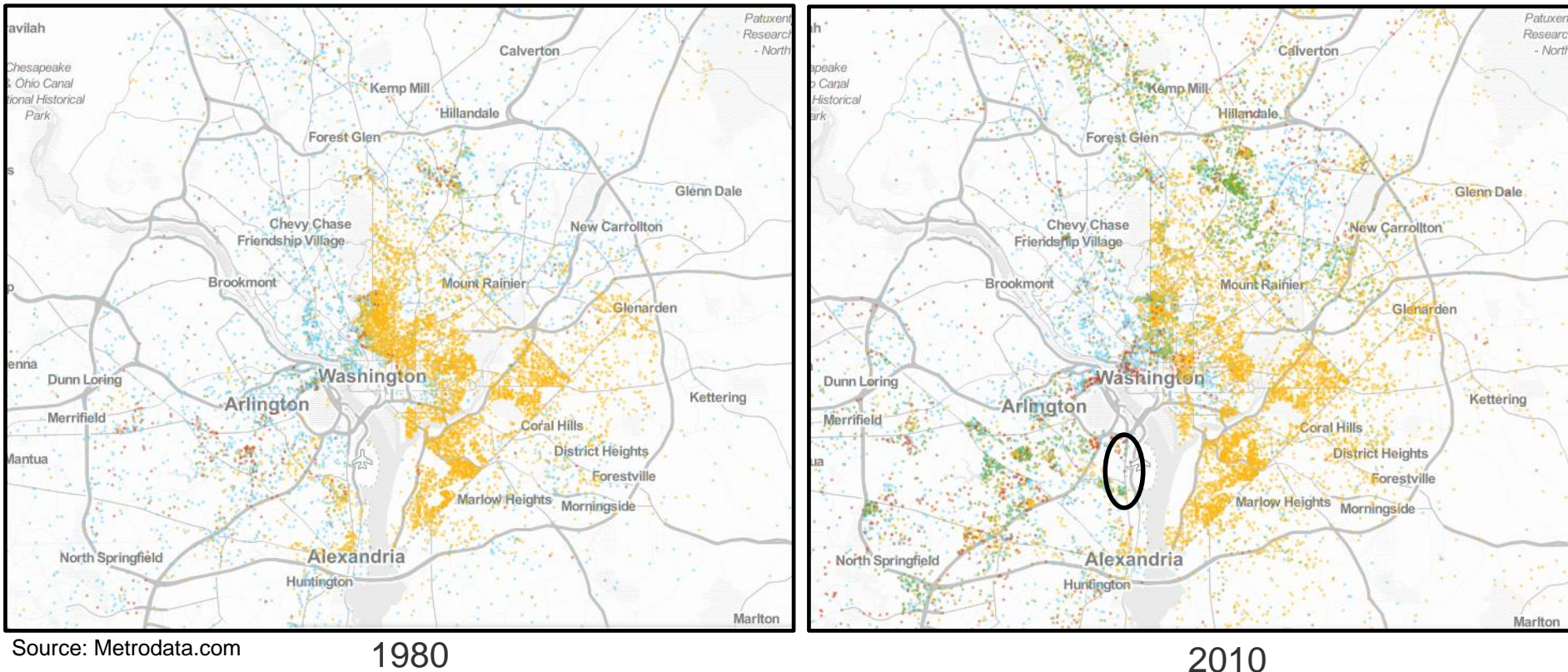
NoVA and DC Development Context





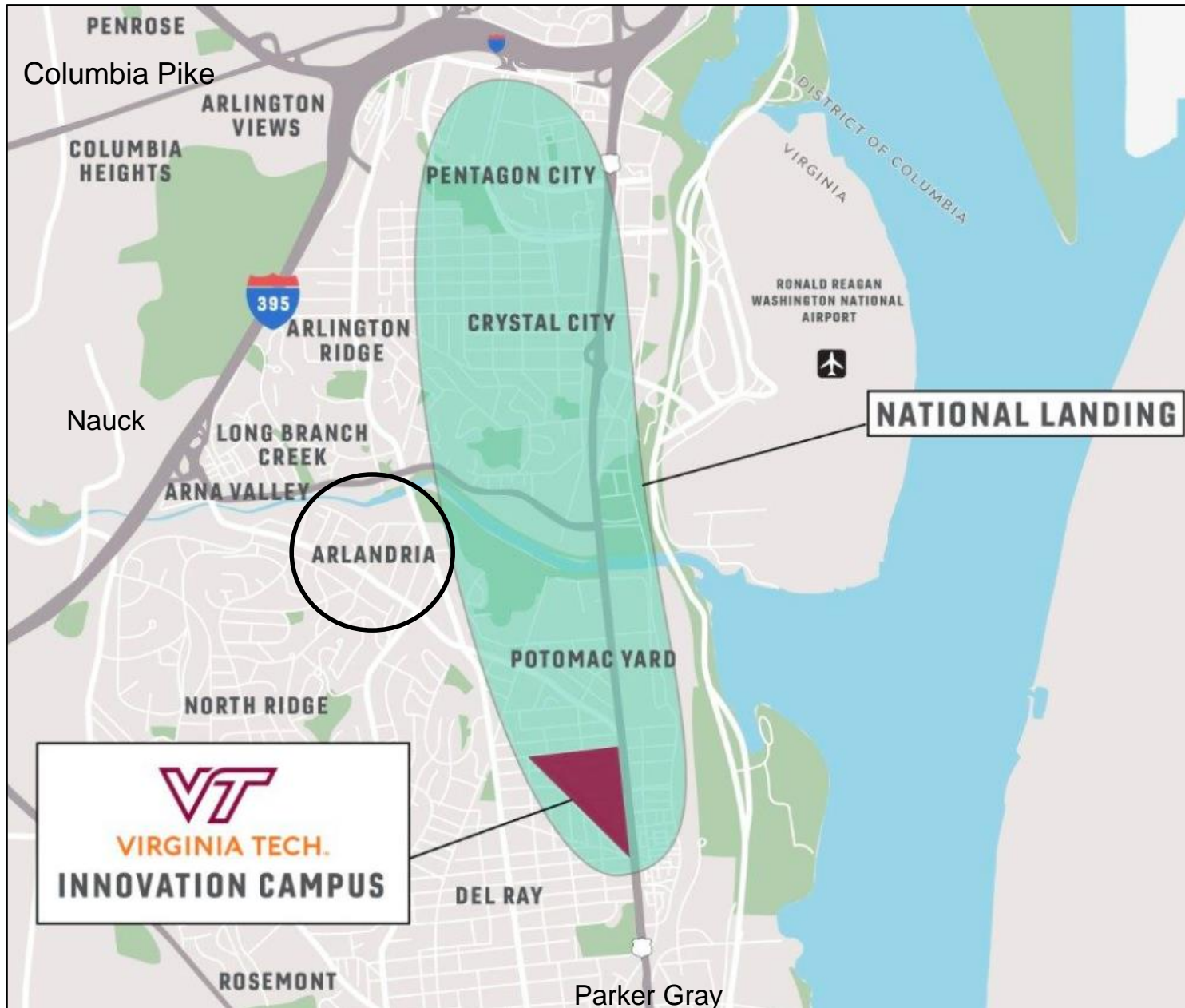
The Changing Geography of Poverty

Race & Poverty in the DMV



One dot represents 20 people with income below the poverty line.

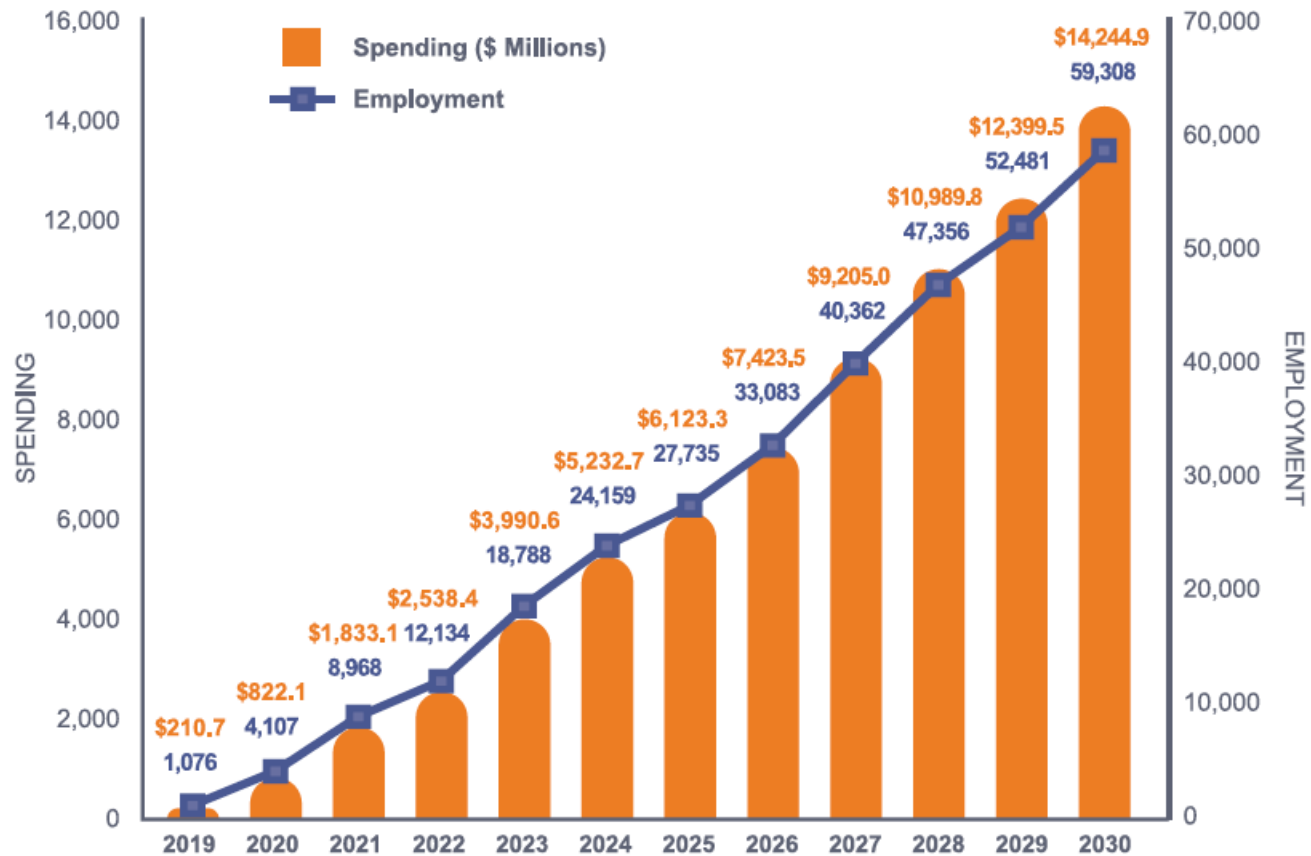
● White
 ● Black
 ● Hispanic
 ● Asian/Pacific Islander





Amazon Related Resource Infusion

Figure 1.2: Combined Total Economic Impact of Amazon's MCH in Virginia
(Capital Expenditures & Operations)



Source: Chmura Economics & Analytics





National Landing



VISION GETTING AROUND URBAN LIVING NEWS + RESOURCES





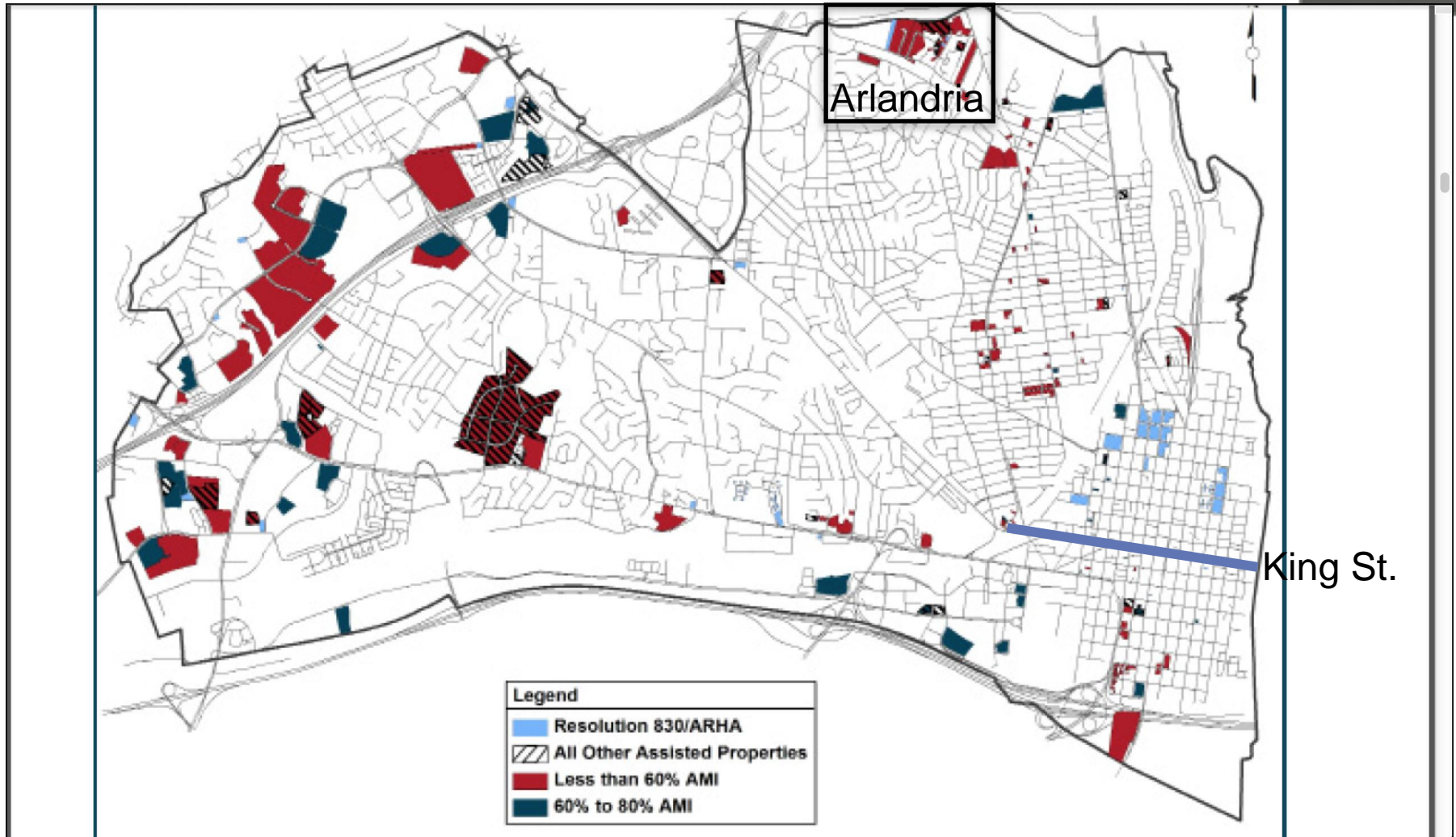
Virginia Tech's Innovation Campus



CONCEPTUAL RENDERING



Alexandria's Affordable Housing



Source: City of Alexandria 2013



Arlandria's Housing

3900 Executive Ave
Alexandria, Virginia
Google
Street View - Jun 2014



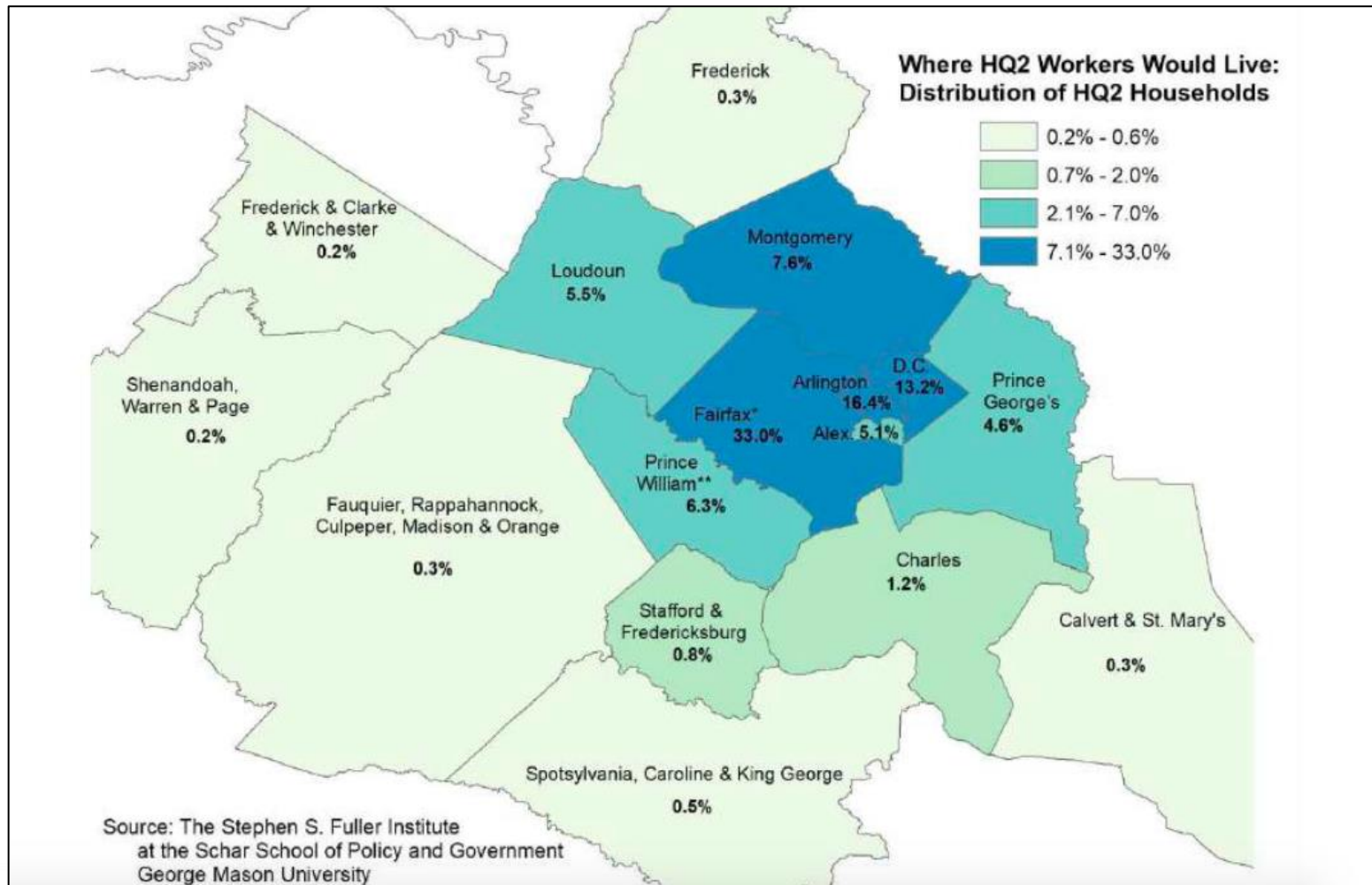
Source: Google Street View 2014



METROPOLITAN POLICY CENTER | SCHOOL of PUBLIC AFFAIRS



Fuller Study vs. New Virginia Majority Report





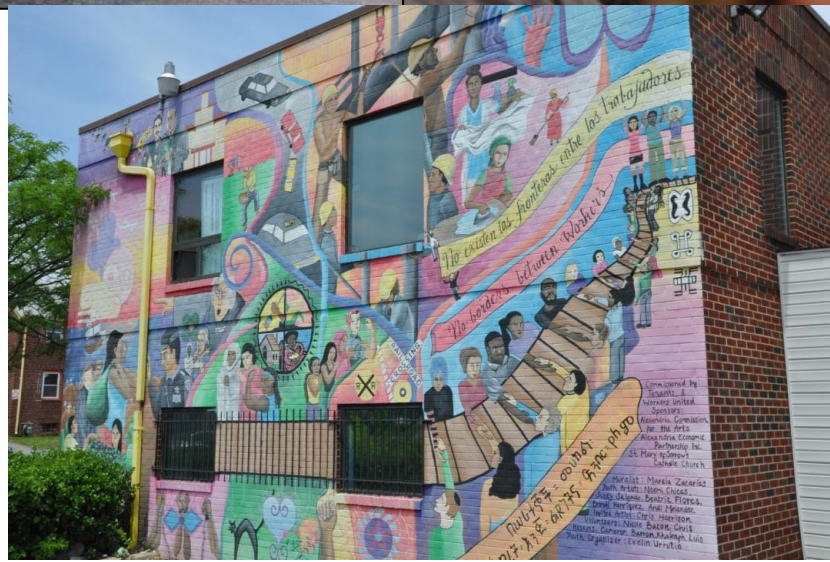
What's at Stake!



Source: Washington Post



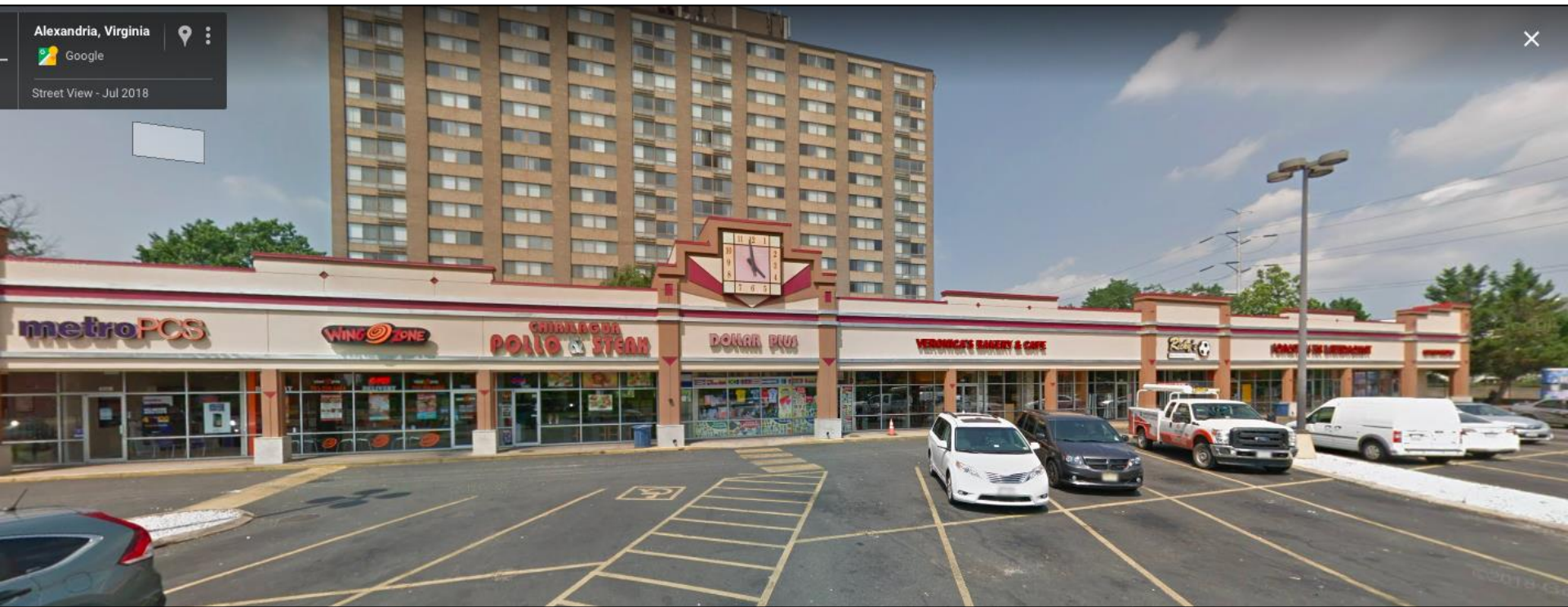
Source: Washington Post



Source: Alexandria Economic Development Partnership



Small Business Displacement?



Source: Google Street View 2018



Arlandria for Whom?

December 15, 2011

4889



If approved, Arlandria Center, depicted in a rendering above, will tower six stories over the low-lying neighborhood of Arlandria-Chirilagua.

Source: Alexandria Times



What's Being Done?

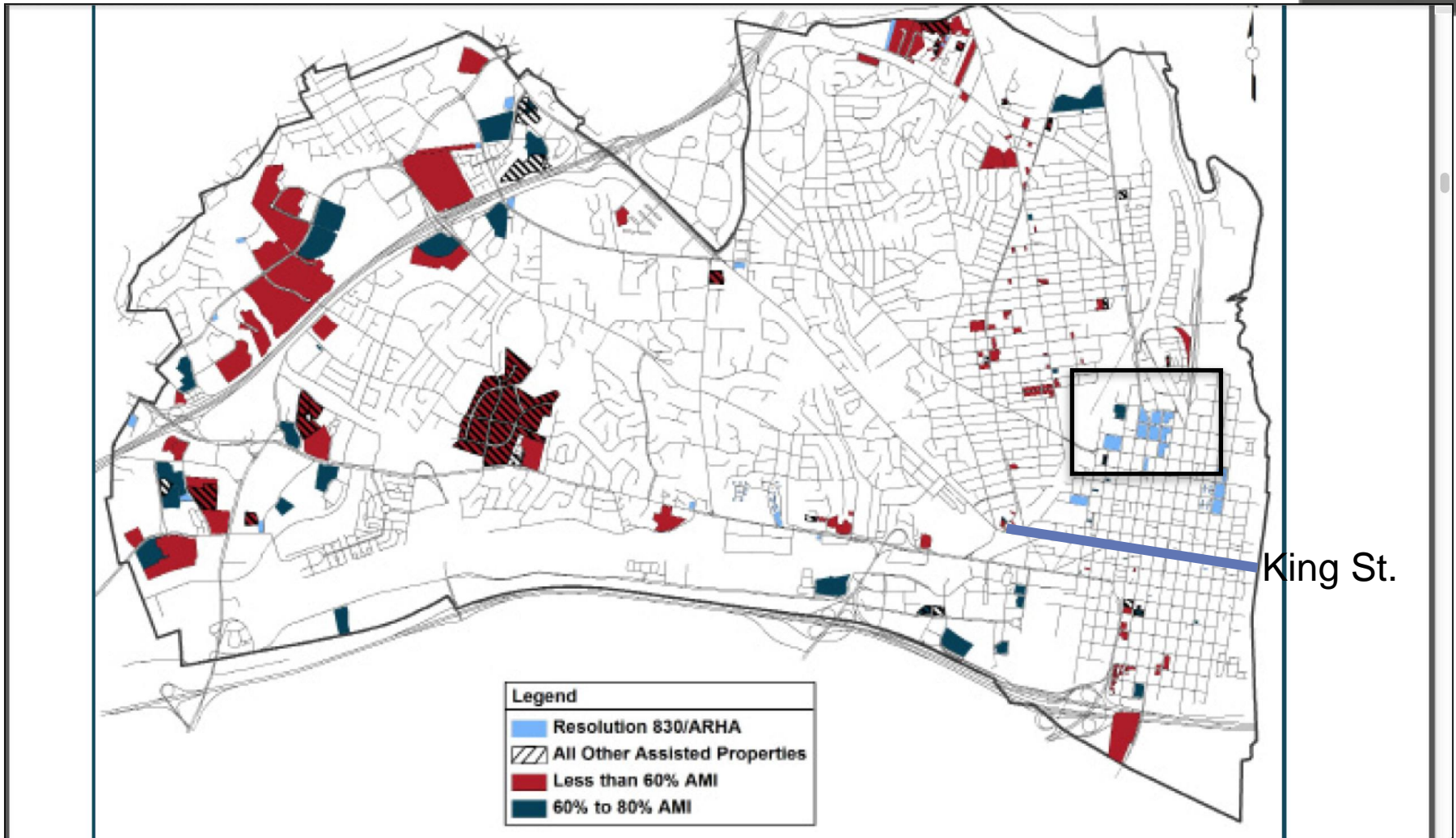
- **WRAG Affordable Housing Working Group:** Raising *\$1 billion* by end of 2020 for new affordable housing funding for those making up to 120% of area median income
- **JBG/Federal City Council:** Raising *\$150 million* capital pool to provide secondary financing to preserve or build 2,000-3,000 units of workforce housing in high-impact locations for 15 years of committed affordability
- **Arlington County:** Committing *\$70 million* in new affordable housing resources over 10 years
- **City of Alexandria:** Committing *\$80 million* in affordable housing funds over 10 years and zoning changes to produce more units



Past Success in Alexandria, VA



Alexandria, VA



Source: City of Alexandria 2013





James Bland Redevelopment

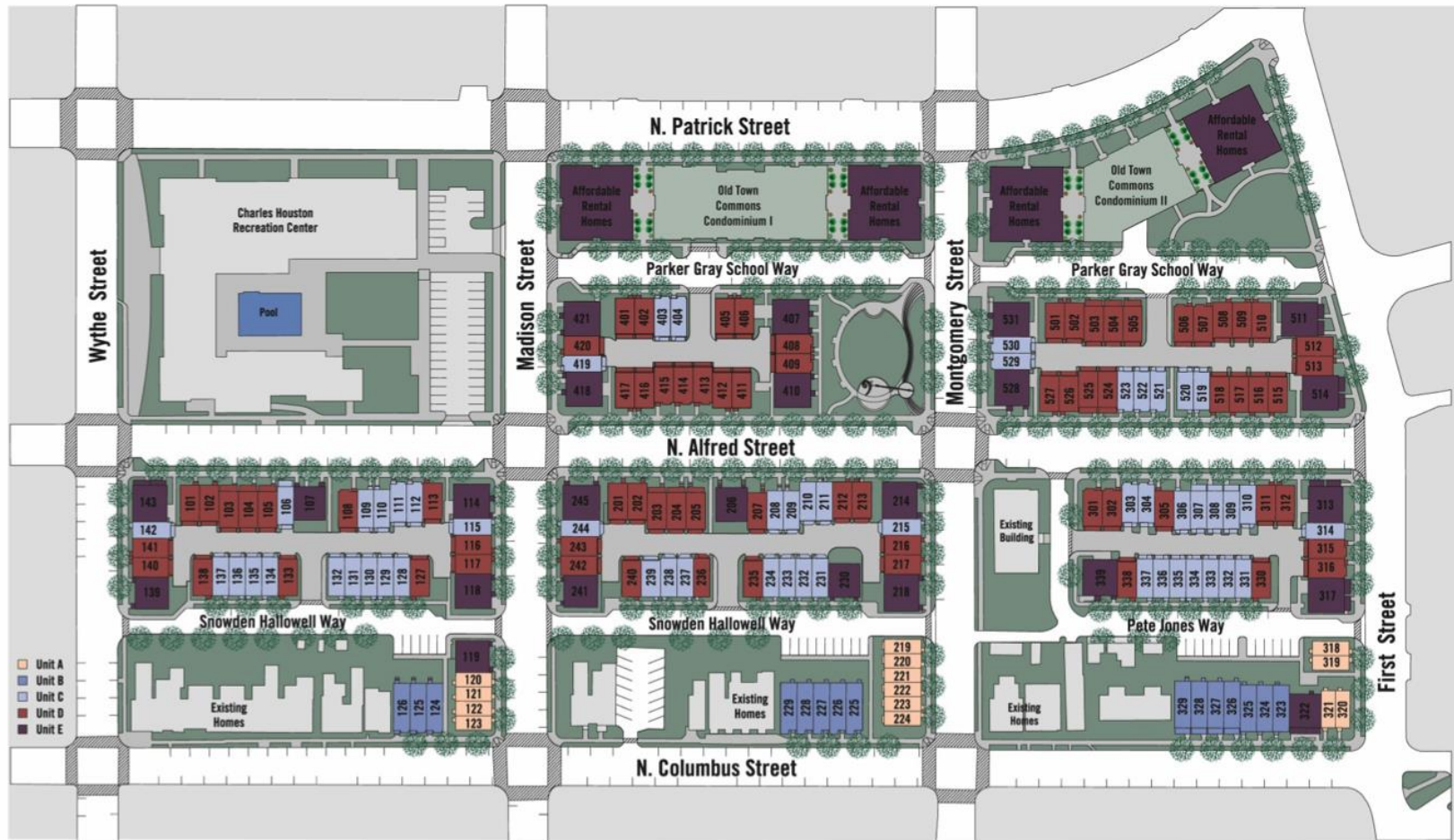
194 PH units on five blocks [concentrated poverty]
\$150M, five-phase, LIHTC development

Replaced majority of subsidized-rental units (134)
New market-rate townhomes and condos (231)





Old Town Commons (OTC)





OTC: Challenges and Strengths

- Relocation and replacement units, off site (60)
- Financing (5 winning LIHTC applications & city loan)
- Mixed-income (800K, 400K, & subsidized housing)
- Social integration (resident council, park, & rec. center)





Equitable Development Policy Themes

Prevent Residential Displacement

- Preserve viable subsidized and affordable housing

Minimize Cultural Displacement

- Preserve “mom and pop” businesses

Grease the Wheels of Social Integration

- Build neutral “third spaces” of commonality



State Actions to Facilitate Equitable Growth

1. Create “Equitable Development Fund” to provide affordable housing and small business loans in gentrifying areas
2. Focus LIHTCs, NMTCS, CDBG, and HOME funds to mitigate displacement and build “third spaces”
3. Increase Virginia Housing Trust Fund
4. Form Virginia Small Business Financing Authority and Virginia Housing Development Authority Partnership
5. Monitor NoVA affordable housing commitments and construction



Equitable Growth

